

# Convention Centers

Edited by William Ng  
william.ng@nielsen.com

## Expecting Growth, Philly Wants Hotel Boom Front & Center

Pennsylvania Convention Center expansion will require 2,500 new guest rooms in the Center City district by 2013

By Matt Alderton

When the newly expanded Pennsylvania Convention Center debuts in Philadelphia in 2011, it will have nearly twice as much meeting space as today. For the City of Brotherly Love, that potentially translates to a lot of new business, not to mention a need for a lot of new guest beds. The Philadelphia Convention & Visitors Bureau (PCVB) expects approximately 2,500 new hotel rooms to open in the Center City district by 2013.

“The Pennsylvania Convention Center is definitely the hospitality economic engine for Center City Philadelphia, and for all of south-eastern Pennsylvania,” said PCVB executive vice president Jack Ferguson. “Now, the building is going to expand. In order to accommodate that growth, we’re going to need the ability to house more people.”

Currently, the Center City district has 10,000 guest rooms, which is 67 percent more than the 6,000 it had a decade ago. The next wave will give the city approximately 12,700 downtown guest rooms, according to Ferguson, who said at least eight new hotels are in the works.

Three of those hotels—a 195-room Le Meridien, scheduled to open this spring; a 230-room Hotel Palomar, set to open in November; and a 90-room Four Points by Sheraton, set to open late this year—are under construction near the convention center.

They’ll also give Philadelphia more space in which to host small



Philadelphia is looking to secure a second anchor hotel for the expanding Pennsylvania Convention Center.

meetings and convention-related functions, as each will have its own meeting facilities. The Hotel Palomar, for instance, will have about 5,148 sf of meeting space, according to Ken Reynolds, senior VP of construction at parent company

Kimpton Hotels & Restaurants. There will be a 26th-floor, 1,900-sf ballroom; a 350-sf boardroom; and three 750-sf breakout rooms.

Two of the three hotels, as well as others currently in the planning stages, will be located northwest of

the convention center, where attendees will access the venue via a new Broad Street entrance. Logistically, Ferguson said the entrance will allow the center to host two conventions at once, in each half of the building.

To populate the northwestern side, the city is encouraging the development of an anchor hotel with between 600 and 800 guest rooms at Broad and Race streets, Ferguson said. The economic downturn hasn’t hurt Center City hotel growth, according to Ferguson, but it has slowed the progress of an anchor hotel project and several other developments.

“Although we have three hotels under construction already, and more have gotten financing, the next 12 months will be tight,” he said. “The big hotel’s not there yet, and that’s critical.”

## Seattle Venue Has 2014 Expansion Plan on the Table

The Washington State Convention & Trade Center in Seattle has drafted a \$766 million expansion plan that would double its exhibit space to about 400,000 sf in 2014. In addition, hotel developer R.C. Hedreen Co. is looking to build a 1,200-room hotel with 100,000 sf of meeting space near the WSCTC.

The center expansion would be a standalone building at the site now occupied by the Convention Place bus and transit station. The hotel would replace a Greyhound downtown bus station and become the

city’s second-largest property, after the Sheraton Seattle Hotel.

While the state legislature awaits a WSCTC-commissioned feasibility report, the city’s design review board is set to look at preliminary hotel plans in March. However, Hedreen president David Thyer said a hotel isn’t likely until 2016.

Echoing situations in other cities, the Seattle expansion proposal is already a lightning rod for controversy. The plan is accused of being a hastily conceived reaction to the state’s raid of the WSCTC’s

budget surplus last year. Working on the center’s side, however, is that it is funded mostly by Seattle’s 7 percent hotel tax, and an expansion would not add pressure on the state’s general fund.

Also, Tom Norwalk, president of the Seattle Convention & Visitors Bureau, argued that a larger WSCTC can serve two smaller conventions simultaneously, bring in up to 30 more national groups annually, and keep Microsoft events in the city. ○

—William Ng